

WEST HAYMARKET JOINT PUBLIC AGENCY (JPA)
Board Meeting
February 25, 2021

Meeting Began At: 2:31 P.M.

Meeting Ended At: 3:09 P.M.

Members Present: Leirion Gaylor Baird, Tim Clare, and Tammy Ward

Item 1 - Introductions and Notice of Open Meetings Law Posted by Door.

Gaylor Baird advised that this is a public meeting subject to the open meetings act posted at the back of the room.

Item 2 - Public Comment and Time Limit Notification.

Gaylor Baird advised members of the public are given five minutes for public comment on specific items listed on today's agenda and those testifying should identify themselves for the record.

Item 3 – Approval of the minutes from the JPA meeting held January 28, 2021.

Clare moved approval of the minutes as presented. Ward seconded the motion. Motion carried 3-0.

Item 4 - Approval of January 2021 Payment Register and Review of January 2021 Expenditure Reports.

David Young, Interim Finance Director and JPA Treasurer, stated in reviewing the January 2021 payment register the operating budget had \$341,551.33 in operating expenditures with the major payments consisting of a payment of \$5,193.30 to County/City Property Management for 20-21 janitorial and minor maintenance at the Amtrak Station, this was previously paid out monthly and now will be paid out annually; \$19,916.58 to the Lancaster County Treasurer for 2020 West Haymarket Maintenance Special Assessments on eight JPA properties; a DEC payment of \$214,310.50 of which 69% or \$148,203.30 is billed to the West Haymarket private customers; \$72,135.43 for parking deck management for December 2020; and \$27,353.04 to Pinnacle Bank Arena for arena repair and maintenance.

Young presented a graph showing three scenarios for occupation tax revenues. At the peak in 2019 we were projecting out to the year 2033 revenue levels. The worst case scenario is that we do not come back to full occupancy at the arena and the Haymarket Railyard until 2024 and the standard 2% growth in occupation taxes are collected. In this scenario, the JPA fund is still whole. Scenario number two looks at coming back to full occupancy in August of this year with a standard 2% growth in occupation taxes attaining just below the original projection and still being able to pay all of our bills. Finally, scenario number three looks at opening in August of this year with a 3.41% growth in occupation taxes over the original projections. This is less than what has been seen over the last eight years, but the JPA fund is whole and we will still be able to pay the bills.

Jane Kinsey, Watch Dogs of Lincoln Government, asked if the JPA pays the DEC and is then reimbursed by the businesses. Young confirmed that is correct. Kinsey asked if the arena has cut expenses. Young confirmed they cut all of the expenses they can. Tom Lorenz, General Manager of Pinnacle Bank Arena, explained when you have a time like this, multiple things are looked at. You cut staffing as much as possible using furloughs, cut hours, cut down on utilities, cut food and beverage expenses, most repairs were done early on so there are very few repairs to get done. Kinsey asked if staff has been furloughed and Lorenz confirmed they have been.

There being no further discussion or public comment, Clare moved approval of the payment register. Ward seconded the motion. Motion carried 3-0.

Item 5 – WH 21-3 Resolution to approve two Memorandums of Understanding between the West Haymarket JPA and Project Control of Texas, Inc., and Alfred Benesch and Company, for Construction Management Services for terms through August 31, 2021 with combined costs not to exceed \$60,000.00. (Chris Connolly)

Chris Connolly, Chief Assistant City Attorney, stated the Project Control has been managing projects for the JPA for a number of years. Their contract expired at the end of 2020. Options were explored going forward and purchasing recommended using two project managers to manage projects that need to be done in the JPA area. An arrangement was worked out with Project Control and Alfred Benesch Company to be co-project managers going forward. Each of them submitted an agreement for approval. There is a process for determining who will manage each project. There will be a committee of three individuals appointed to make decisions on projects that are not already on a list of projects for Project Control. Project Control will continue to manage the projects already on their list and any future projects will be decided by the committee consisting of Jennifer Brinkman, Bob Walla, and Chris Connolly for project management. The dollar amount is \$60,000 as finance determined that between now and the end of the fiscal year is an appropriate amount based on the last year of Project Controls contract totaling \$80,000.

Clare commented that both companies have worked on the arena and in the JPA area since day one and he appreciates their hard work. He stated, if it wasn't for PC Sports, we would not be in this position today. They did an amazing job in getting us across the finish line.

Gaylor Baird echoed Clare's gratitude to the folks who helped to build and put this arena in place. She commented never in our wildest dreams did we imagine it would be used for the purposes it is being used for at this moment. There are hundreds if not thousands of seniors from our community who are strolling through getting their second dose of the COVID-19 vaccine. The arena was meant to improve our quality of life, but now it is actually saving lives. Thank you for making that possible.

There being no further discussion or public comment, Ward moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

Item 6 - WH 21-4 Resolution to approve a Memorandum of Understanding between the West Haymarket JPA and the Lincoln-Lancaster County Health Department for purposes of administering COVID-19 vaccines at the Pinnacle Bank Arena. (Chris Connolly)

Connolly stated we have a vaccination program going on at the Pinnacle Bank Arena. This has been very good for our community. We felt that it was important to have an agreement in place between the City through the Health Department and the JPA regarding certain responsibilities concerning the operation of the vaccination clinics. The MOU lays out some general duties for each of the parties. It will be the responsibility of the Health Department to do vetting and credentialing of medical staff. It will be the responsibility of the JPA to maintain and clean the building and provide table, chairs, and staff as needed to assist the operations as needed. It is not a lease. The term is for eight months. The City through the Health Department will reimburse the JPA for out of pocket expenses above and beyond what it would take for the JPA to operate under the current situation such as increased costs on disinfectant, increased staffing, and catering for staff.

Clare commented never in our wildest dreams did we think we would be using the arena to help vaccinate thousands of people and save lives along the way. He gave a shout out to Tom Lorenz and his team for doing this. The difference this is making in Lincoln is remarkable.

Ward commented that she volunteered a couple of weeks ago at the arena. She gave kudos to Tom Lorenz and his staff. She further commented, who knew we would be using the arena for this but thank goodness we have it and thanked everyone for their work on this.

Kinsey stated it is really easy for administration to sit on their heels and say how wonderful things are and how they are going, but on the other side of the mountain things are different. She gave credit to the PBA as everything there ran smoothly, however, setting up appointments is a nightmare. First thing they sent out an email an hour before a person was supposed to appear. There were 20 forms you were supposed to go over. The next thing was they told people to call them, everyone called at the same time and the phones crashed. They missed people or moved people up a week or two early on the follow-up appointments. Now they are calling people out the day of and asking them to come down and get their second shot. It could have been more organized. Kinsey asked why there is an agreement now after its half over. Connolly explained this came up very quickly. We didn't know when the vaccines would be coming in, and it is difficult to get this kind of agreement done immediately. It was done as quickly as it could be done and there will be plenty more vaccine clinics in the next several months. Kinsey asked if City Council had to approve this. Connolly explained they did not. She further asked how long this will last. Connolly stated it will go for eight months and if we get to the end of the eight months and needs to go longer, we can renew this agreement. Kinsey asked if the Health Department was agreeable to this. Connolly confirmed the Health Director has already signed off on the agreement. Kinsey commented it gave people some work who might otherwise not have any work.

Clare stated that Tom and his team are providing the vaccinations during the day and then cleaning it up so that basketball can be played. Next week and the week after will be busy with the basketball tournament which will help out with the occupation taxes since people will be coming to town, staying in hotels, and buying food at restaurants.

Gaylor Baird added there were some issues because we have so many members of our community who want the vaccine and we have been working to improve the process and we will continue to work hard to make it as smooth as possible. She thanked David Young and his team in Information Services who have helped to automate many of the processes that were initially paper based. Each clinic gets a little bit better and a little bit faster. She thanked LPD and Aging Partners and stated this is really a team effort across the City with health care providers and physicians. She commented that it is an inspiring effort of so many people coming together to get this done to protect our community.

There being no further discussion or public comment, Clare moved approval of the resolution. Ward seconded the motion. Motion carried 3-0.

Item 7 – WH 21-5 Resolution to approve a Marketing Services Agreement between the West Haymarket JPA and IMG College for marketing services and sponsorship rights at Pinnacle Bank Arena. (Chris Connolly)

Connolly stated we have a new marketing agreement worked out with IMG who has been our partner in marketing of PBA since the beginning. It is an amendment and a restatement of the current agreement. It is an eight year extension of the current agreement. There will still be guaranteed payments of \$1 million. There will be the recapture of the revenues due to be paid in the last year that weren't able to be paid. They will be paid out over the course of three years. The guaranteed payments will start to escalate, and we will have an opportunity to make money off of the revenue splits in the agreement. In other words, the first \$1 million would be for the guarantee and under the new arrangement the next \$550,000 would be for IMG. Anything above the \$550,000 for the first 2 years would be split 50/50 between the two parties. From there, everything starts to escalate on both the guarantee side and the revenue split side. Most of the other terms and conditions are pretty much the same besides updating some of the language. It is up to IMG to arrange the contract with the sponsors and advertisers and then they pay the JPA the money that comes off of it. They will have a team of three dedicated people that will be housed at Pinnacle Bank Arena and that is where they will work from. This will allow us to have better communications with them and Tom will be right there to work with them and be involved.

Young explained on the financial side they increased the value of the contract by \$1 million on our side over the eight years. It is a good commitment with good partners. In this time right now when you see marketing agreements failing across the country due to lack of attendance this is a very good agreement for us.

Lorenz stated he was going through some original documents when this was being put together and one of the projections for the marketing agreement was thinking it would be between \$200,000 and \$400,000 a year. This is a \$1 million a year document. We are very excited. IMG does a terrific job. The staff is excellent, we work very closely together, and it has been a great relationship. He commented he is excited that we get to extend this for eight more years.

Kinsey stated there is no price on here. Connolly stated we are not sure exactly what we are going to make off of it. He explained it depends on how much advertising revenue is generated by IMG. There is a schedule in the contract for the guaranteed amounts. If they generate enough money, then it is split. In the long run this is a better deal. For the next eight years we get at

least \$1 million as a guarantee. Kinsey asked how long the contract is for and Connolly stated eight years.

Clare commented that it is really easy to fire and get rid of someone who doesn't fulfill a contract and never see them again. He appreciates loyalists and there is not one person in the world who hasn't been impacted in some way shape or form by COVID. The ability and willingness to go back and renegotiate is great and he is glad we got the contract in place. He thanked David Young, Tom Lorenz, and Chris Connolly for their work.

There being no further discussion or public comment, Ward moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

Item 8 - Set Next Meeting Date.

The next meeting will be Thursday, March 25, 2021 at 2:30 p.m. in Council Chambers, First Floor of the County-City Building.

Item 9 – Motion to Adjourn

Ward moved to adjourn. Motion seconded by Clare. The meeting adjourned at 3:09 p.m.